

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF RKI EXPLORATION
AND PRODUCTION FOR COMPULSORY
POOLING AND APPROVAL OF AN UNORTHODOX
WELL LOCATION, EDDY COUNTY, NEW MEXICO.**

CASE NO. 15341

RECEIVED
2015 JUL 25 12:00:00

**MOTION TO MODIFY POOLING ORDER TO CONFORM
WITH DIVISION APPROVED SPACING UNIT**

RKI Exploration and Production ("RKI") moves the New Mexico Oil Conservation Division ("Division") to amend Order No. R-14016 to conform with the spacing unit subsequently designated by the Division. In support of this motion RKI states:

1. On July 15, 2015, the Division entered Order No. R-14016 granting RKI's application to pool all uncommitted interests within the Wolfcamp formation underlying the E/2 of Section 17, Township 26 South, Range 30 East, NMPM, in Eddy County, New Mexico. The order dedicated the 320-acre standard spacing unit to RKI's RDX Federal Com 17 Well No. 26H (API No. 30-015-42752), to be drilled in the W/2 E/2 of Section 17, and approved an unorthodox location for the well.
2. RKI anticipated the well to be a gas well, and therefore initially sought a standard 320-acre spacing unit.

3. On August 18, 2015, the Division approved a sundry C-102 for the RDX Federal Com 17 Well No. 26H ("Sundry") and designated the pool as Brushy Draw; Wolfcamp (O) 97136. *See* Sundry, Attached as Exhibit 1.

4. The Brushy Draw; Wolfcamp (O) is an oil pool subject to 40-acre spacing. The Division therefore amended RKI's Sundry to dedicate 160 acres to the well comprised of the W/2 E/2 of Section 17. *Id.*

5. At hearing, RKI presented evidence of ownership by tract within the proposed 320-acre standard spacing unit. Exhibit 4, incorporated as part of the administrative record, reflects that EOG is the only uncommitted interest owner or pooled party.

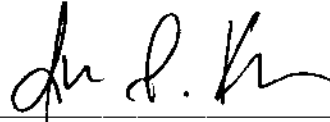
6. EOG received notice of the Division hearing, but did not appear or otherwise indicate any objection to the pooling order.

7. Exhibit 4 further demonstrates that EOG owns an undivided interest in the E/2 of Section 17. As a result, EOG's interest will not be impacted by amending Order R-14016 to contract the pooled spacing unit to conform with the Division's pool designation.

WHEREFORE, to conform with the Division's subsequent designation of an oil pool, RKI requests that the Division amend Order R-14016 to contract the pooled spacing unit to a non-standard 160-acre spacing unit comprised of the W/2 E/2 of Section 17. All other aspects of Order R-14016 will remain the same.

Respectfully submitted,

HOLLAND & HART, LLP

A handwritten signature in black ink, appearing to read "Michael H. Feldewert", written over a horizontal line.

Michael H. Feldewert

Jordan L. Kessler

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ATTORNEYS FOR

RKI EXPLORATION AND PRODUCTION

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
RKI EXPLORATION & PROD LLC Contact: HEATHER BREHM
E-Mail: hbrehm@rkixp.com

3a. Address
210 PARK AVE SUITE 900
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)
Ph: 405-996-5769
Fx: 405-949-2223

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 17 T26S R30E SWSE 0200FSL 1425FEL
32.020887 N Lat, 103.535827 W Lon

5. Lease Serial No.
NMNM20965

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM129167

8. Well Name and No.
RDX FEDERAL COM 17 26H

9. API Well No.
30-015-42752-00-X1

10. Field and Pool, or Exploratory
~~UNDESIGNATED~~

Brushy Draw, Wlomp (o)

11. County or Parish, and State

EDDY COUNTY, NM

97136

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

BHL LEASE SERIAL NUMBER: NM-101110

RKI RESPECTFULLY REQUESTS THE APPROVAL TO ADD THE WOLFCAMP EXPLORATORY FIELD TO THE CURRENT APD. THE REVISED PLAT AND DRILLING DOCUMENTS ARE ATTACHED TO THIS REQUEST FOR REFERENCE.

THE WELL IS SET TO SPUD 08/2015.

SUBJECT TO LIKE
APPROVAL BY STATE

Accepted for record
NM OCD 8/10/15
SEE ATTACHED FOR
CONDITIONS OF APPROVAL

NM OIL CONSERVATION
ARTESIA DISTRICT

AUG 18 2015

RECEIVED

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #305931 verified by the BLM Well Information System
For RKI EXPLORATION & PROD LLC, sent to the Carlsbad
Committed to AFMSS for processing by CATHY QUEEN on 07/15/2015 (15CQ0484SE)

Name (Printed/Typed) HEATHER BREHM

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 06/22/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **



DISTRICT I
1425 N. Fourth St., Suite 100, Santa Fe, NM 87504
Phone: (505) 393-6461 Fax: (505) 393-6720

DISTRICT II
911 S. First St., Suite 100, Santa Fe, NM 87501
Phone: (505) 746-1700 Fax: (505) 746-1710

DISTRICT III
1000 N. Second St., Suite 100, Santa Fe, NM 87501
Phone: (505) 324-4119 Fax: (505) 324-4118

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-1400 Fax: (505) 476-1402

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number: 30-015-42752	Pool Code: 97136	Pool Name: Brushy Draw, UNDESIGNATED WOLF CAMP (0)
Property Code: 313813	Property Name: RDX FEDERAL COM 17	Well Number: 26H
OGRIID No. 246289	Operator Name: RKI EXPLORATION & PRODUCTION	Elevation: 3125'

Surface Location

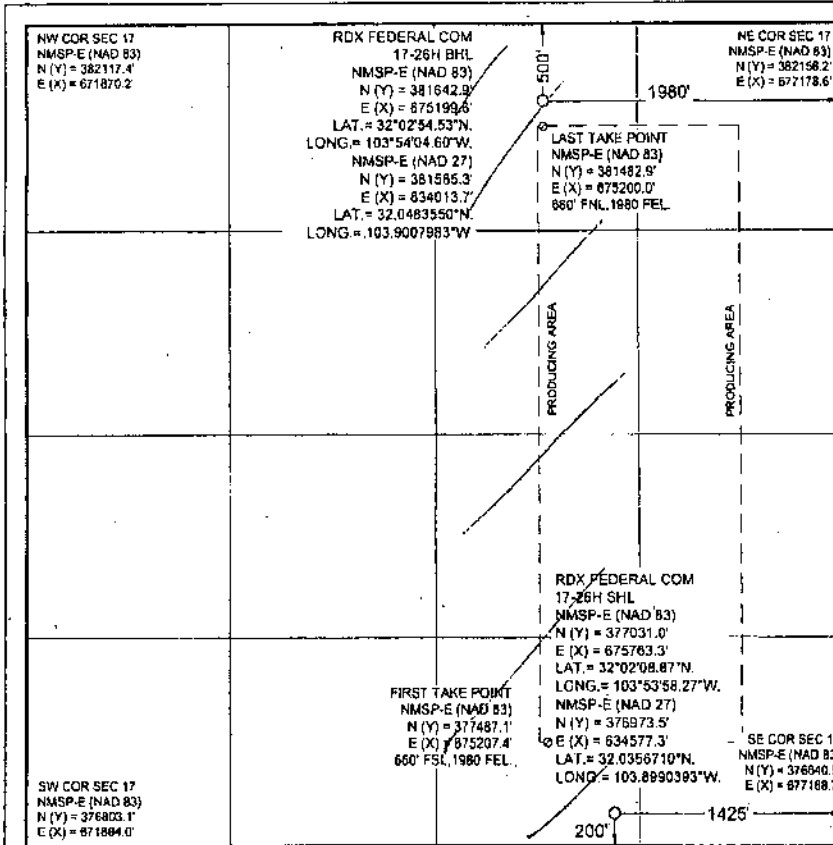
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	17	26 S	30 E		200	SOUTH	1425	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	17	26 S	30 E		500	NORTH	1980	EAST	EDDY

Dedicated Acres: 320	Joint or (in)it: 160	Consolidated Code:	Order No.:
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *James E. Tompkins* Date: _____
Print Name: _____
E-mail Address: _____

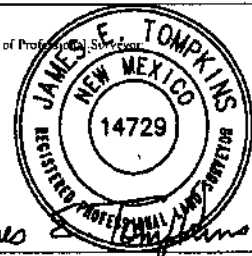
SURVEYORS CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

SEPTEMBER 2, 2014

Date of Survey

Signature and Seal of Professional Surveyor



Job No.: WTC50190
JAMES E. TOMPKINS 14729
Certificate Number